UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/901,227	07/09/2001	Vipul Bansal	JP920010123US1	6227

7590   07/16/2007

INTERNATIONAL BUSINESS MACHINES CORPORATION
ALMADEN RESEARCH CENTER
650 HARRY ROAD
SAN JOSE,, CA 95120

EXAMINER
DASS, HARISH T

ART UNIT	PAPER NUMBER
3693	

MAIL DATE	DELIVERY MODE
07/16/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

PTOL-90A (Rev. 04/07)

	Application No.	Applicant(s)
Office Action Summary	09/901,227	BANSAL ET AL.
	Examiner	Art Unit	
	Harish T. Dass	3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on *4/20/2007*.

2a) ☐ This action is **FINAL**.   2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) *1-81* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) *1-81* is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All   b) ☐ Some * c) ☐ None of:

      1. ☐ Certified copies of the priority documents have been received.

      2. ☐ Certified copies of the priority documents have been received in Application No. _____.

      3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____ .

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 112

1.   The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims1-27 are rejected are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention, particularly;

Claim 1, line 1 the word "incorporation of effects of ... risk factors" is not clear. Incorporating to what?

Claim 1 line 18 refers "said databases" which databases. There is insufficient antecedent basis for this limitation. Note – line 4 states one or more "online databases" maintaining one database is sufficient to satisfy the claim limitation.

Claims 28-54 are rejected because claims are system claims and not clear the claims are directed to hardware or software. The claim limitation claims "means", it is not clear that, in case, applicant claim is directed to hardware or software. If it is directed to hardware, it should be explained and support in original specification must be present to avoid rejection under 35 USC 112 1st. For purpose of applying the prior art the Examiner has construed the claims without proving an analysis user 35 USC 6th paragraph.

Claims 55-81 are rejected because, in claim 55, the word "means" is preceded by the

word(s) "computer readable program code" in an attempt to use a "means" clause to

recite a claim element as a means for performing a specified function. However, since

no function is specified by the word(s) preceding "means," it is impossible to determine

the equivalents of the element, as required by 35 U.S.C. 112, sixth paragraph. See *Ex*

parte Klumb, 159 USPQ 694 (Bd. App. 1967). Note: claim 55 is a product claim.

DETAILED ACTION

Claim Rejections - 35 USC § 103

2.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

Claims 1-81 rejected under 35 U.S.C. 103(a) as being unpatentable over Lange (US

6,321,212) in view of Hartman et al. (Hartman, Stephen W. ; Qureshi, Anique; Siegel,

Joel G "Online databases: Information available electronically", CPA Journal   v67n4

pp: 46-54, Apr 1997.) hereinafter Hartman.

Re. Claim 1, 28 and 55, Lange discloses online trading of stock, bonds, foreign

exchange, derivatives, etc (col. 1 lines 37-46), method, system and product (storage

device), (a.) maintaining one or more or the following databases (rational database

software such as Oracle's 8i) [Figure 2 (# 267, 264, 265), Figure 4, col. 90 lines 47-50;

col. 92 lines 24-59; also see figure 4 related description, col. 93 lines 43-46 & col. 93

lines 29-33],

(b.) an updated [col. 92 lines 54-59; updating the database is inherent in Lange's

system] database [col. 1 lines 34-35; col. 12 lines 62-64 "computerized databases and

telecommunications ..." for online trading; col. 90 lines 47-63] of prices *derivatives*

associated with goods or services involved in completing said transaction [col. 1 lines

45-56; col. 2 lines 20-51; see commodity price; col. 7 line 63 to col. 8 line 17],

(d.) a database of insurance *derivatives* associated with the risks involved in completing

said transaction [col. 1 lines 34-56; col. 2 lines 20-51; see commodity price; col. 7 line

63 to col. 8 line 17; col. 92 line 23],

(e.) a database of counter party risk classification information associated with the

activities of said transaction [col. 1 lines 34-56; col. 2 lines 20-51; see commodity price;

col. 7 line 63 to col. 8 line 17; col. 92 line 23],

(g.) a database of customized information related to risks at a given point of time for

specified transactions [col. 17 lines 32-36; col. 21 lines 53-56 see observed period"],

(i.) determining the costs associated with one or more risk elements by using the data

corresponding to the parameters (see adjustable return) of said transaction in

conjunction with the requirements of applicable market rules and the information from

the said databases [col. 4 lines 22-43; col. 6 line 47-59; col. 49 lines 53-64].

(j.) modifying the data corresponding to the parameters of the said transaction by using

the information from the said databases [col. 92 lines 48-53, lines 22-23].

(h.) maintaining an updated [col. 89 lines 42-45; col. 92 lines 54-59] database [col. 1

lines 34-35; col. 12 lines 62-64] of currency exchange *derivatives* [see foreign exchange and "contingent claims", also col. 56 lines 15-35, lines 54-56 Example 3.1.16 example of currency option] associated with each activity involved in completing said transaction [col. 1 lines 34-56; col. 2 lines 20-51; see commodity price; col. 7 line 63 to col. 8 line 17; col. 92 line 23].

(f.) market rules that govern said negotiations [col. 3 lines 44-50 (supply and demand); col. 62 line 40 to col. 63 line 27, and also see fluctuation foreign exchange rate].

Lange does not explicitly disclose an online database. However, Hartman discloses online database [see all 8 page particularly pages 4-5, 7-8] to improve decision making and analysis, allow management to add value by creating new products and services through information exchange and processing, and improve the bottom line. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Lange and include online database, as disclosed by Hartman, to improve decision making, analysis and the bottom line.

Re. Claims 2, 29, and 56, Lange discloses a set of said e-commerce transactions that should take place from amongst various possibilities given said effects of uncertainty and said risk factors and a set of said e-commerce transactions that should not take place from amongst various possibilities given said effects of uncertainty and risk factors, the prices to be paid by buyers, amounts to be received by sellers and payments to be made to other service providers, in respective currencies, for said set of said transactions that should take place (col. 1 line 27 to col. 2 line 6; col. 4 line 7 to col.

5 line 6; col. 38 lines 21-28; col. 57 lines 54-61; col. 83 lines 7-15; col. 86 lines 34-67; col. 90 line 64 to col. 91 line 25 – see holding, states and defined states corresponds to a possible state of a selected financial product when each of the termination criteria is fulfilled).

Re. Claims 3, 30, and 57, Lange discloses wherein said price *derivative*s (exotic derivatives) provide contractable rates of identical goods or services derived from the primary goods or services being negotiated at specified future dates (col. 56 lines 15-67 see future and put).

Re. Claims 4, 31, and 58 Lange discloses wherein said currency exchange *derivative*s (foreign currency) provide contractable rates of currency exchange at a specified future dates (col. 56 lines 15-67 see dollar and yen and options).

Re. Claims 5, 32, and 59 Lange discloses wherein said modification may involve converting amounts from original currencies to amounts in a different currencies using said currency exchange *derivative*s (col. 56 lines 15-67 see dollar and yen)

Re. Claims 6, 33, and 60 Lange discloses wherein said counter party risk classification data includes the estimated uncertainty of the opposite party fulfilling its obligation (col. 4 lines 57 to col. 5 line 15; col. 101 line 55 to col. 102).

Re. Claims 7, 34, and 61 Lange discloses location of controller 100 that has the

databases (col. 87 line lines 33-60). However distributed databases are well known

where different databases are located on different machines and machines are

connected with same communication network or Internet. It would have been obvious at

the time the invention was made to a person having ordinary skill in the art that wherein

each of the said databases can be located either at the seller end or at the buyer end or

may be hosted by a third party, since the infrastructure is connected by communication

network and can be used from any off connected station.

Re. Claims 8, 35, and 62 Lange does not explicitly disclose wherein said method is

implemented by an online intermediary providing said facilities as a service against a

fee of commission. However, fee to service providers are well known and it would have

been obvious at the time the invention was made to a person having ordinary skill in the

art that if a server is maintained by the third party, the third party collect a revenue in

form of a fee, which is collected from the user. For example, Internet service provider

collect fee from user, similarly, timesharing computer owner collects usage charges

from user.

Re. Claims 9-12, 36-39, and 63-66 Lange discloses applied to a transaction between a

single buyer and single seller negotiating online (col. 2 lines 35-42 - see counter

parties), applied to online auctions between a seller and multiple buyers (col. 58 line 47

to col. 59 line 5), applied to online reverse auctions (col. 58 line 47 to col. 59 line 5 --

well know another auction) between a buyer and multiple sellers (counter parties and auction), and applied to two-sided matching markets involving multiple buyers and sellers (col. 20 lines 35-39 – two-way bid or offer) .

Re. Claims 13-20, 40-47, and 67-74 Lange discloses wherein the winning bid for the desired goods or services in an online auction is selected on the basis of highest risk-adjusted payout to the seller (col. 58 line 47 to col. 59 line 5; col. 4 line 57 to col. 5 line 61; col. 6 line 47 to col. 7 line 18 – see premium to derivatives prices),

wherein the winning offer for the desired goods or service in an online reverse auction is selected on the basis of least risk adjusted cost to the buyer (col. 4 line 57 to col. 5 line 61; col. 6 line 47 to col. 7 line 18; col. 33 lines 14-15; – see premium to derivatives prices), similarly, Lange discloses: wherein said highest risk-adjusted payout to the seller is determined by incorporation of the effect of various said *derivative*s relevant for completion of said transaction related to each bid if that bid is to be selected, wherein said incorporation of the effect of various said *derivative*s is by deduction of said costs associated with the risk elements, wherein said least risk-adjusted cost to buyer is determined by incorporation of the effect of various said *derivative*s relevant for completion of said transaction related to each sell offer if that sell offer is to be selected, wherein said incorporation of the effect of various said *derivative*s is by addition of the said costs associated with the risk elements, wherein relevant *derivative*s of said selected bid are booked with said online *derivative* services for completion of said

transaction (col. 58 line 47 to col. 59 line 5; col. 4 line 57 to col. 5 line 61; col. 6 line 47

to col. 7 line 18;), and wherein relevant *derivative*s of said selected bid are booked with

said online *derivative* services for completion of said transaction (col. 34 lines; col. 35

lines 10-25; col. 61 lines 7-27 – see locking and books).

Re. Claims 21-27, 48-54, and 75-81, Lange discloses displaying information to user

(col. 14 lines 9-13; col. 96 line 61 to col. 97 line 13 – see display), similarly Lange

discloses wherein the sell orders resident in the database are shown to a potential

buyer after online addition of said computed costs associated with risk elements to the

price quoted by seller for each of the sell orders in response to request for such

information in a two-sided matching market and online incorporation of values of

applicable *derivative*s, wherein the buy orders resident in the database are shown to a

potential seller after online deduction of said computed costs associated with risk

elements from the price quoted by buyer for each of the sell orders in response to

request for such information in a two-sided matching market and online incorporation of

values of applicable *derivative*s, wherein the resident sell orders are prioritized for

matching an incoming buy order in the increasing order of the net cost computed by

addition of said computed costs associated with risk elements to the price quoted by

seller for each of the sell orders in a two-sided matching market and online

incorporation of values of applicable *derivative*s, wherein the resident buy orders are

prioritized for matching an incoming sell order in the decreasing order of the net price

computed by deduction of said computed costs associated with risk elements to the

price quoted by buyer for each of the buy orders in a two-sided matching market and

online incorporation of values of applicable *derivatives* (col. 58 line 47 to col. 59 line 5;

col. 4 line 57 to col. 5 line 61; col. 6 line 47 to col. 7 line 18;), and wherein relevant

derivatives for the said transactions are booked with said online *derivative* services for

completion of said transactions (col. 34 lines; col. 35 lines 10-25; col. 61 lines 7-27 –

see locking and books). Lange does not explicitly disclose wherein a minimum required

qualifying bid amount is communicated to a potential bidder in response to request for

the information about the current status of the auctions, and wherein a maximum

allowable offer amount is communicated to a potential seller in response to request for

the information about the current status of the reverse auctions. However, online

auctions are well known, where the result and current price of the auction item is

displayed on the computer screen to allow the bidders (offers) make their decision and

response to the auction accordingly. It would have been obvious at the time the

invention was made to a person having ordinary skill in the art to modify the disclosures

of Lange and include displaying (transmitting information) information for minimum

required qualifying bid amount and a maximum allowable offer amount to allow the

bidders (offers) make their decision and response to the auction accordingly.

Re. Claims 2, 29 and 56, the claims are rejected as a dependent claims of associated

independent claims 1, 28, and 55.

Response to Arguments

2.   Applicant's arguments filed 4/20/2007 have been fully considered but they are

not persuasive.

In response to Applicant's arguments that Lange fails to teach or suggest a

database of currency exchange derivatives. Applicant argues about limitation not

claimed, "database for currency exchange derivative" is not claimed.

In response to Applicant's arguments Lange fails to disclose determining costs

associated with risk elements. Lange discloses premium to derivatives prices which is a

cost added due to risk.

In response to Applicant's arguments that Lange does not disclose modifying

parameters of transactions. Applicant argues about limitation not claimed, see

"modifying the data corresponding to the parameters" not "modifying parameters of

transactions" as it is argued. Databases can be modified regardless of what type of data

they hold. The limitation feature given weight is modifying data and this data can be any
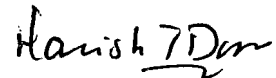
data.

Any inquiry concerning this communication or earlier communications from the

examiner should be directed to Harish T. Dass whose telephone number is 571-272-

6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, James A. Kramer can be reached on 571-272-6783. The fax phone number

for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the

Patent Application Information Retrieval (PAIR) system. Status information for

published applications may be obtained from either Private PAIR or Public PAIR.

Status information for unpublished applications is available through Private PAIR only.

For more information about the PAIR system, see http://pair-direct.uspto.gov. Should

you have questions on access to the Private PAIR system, contact the Electronic

Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a

USPTO Customer Service Representative or access to the automated information

system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Harish T Dass
Examiner
Art Unit 3693

7/8/07